

SUPPLEMENTAL AGREEMENT NO. 4

Contract Number: 559

Contract Title: Self-funded Medical Program

Contractor: Av-Med Inc. d/b/a AvMed Health Plans
9400 S. Dadeland Blvd., Suite 409
Miami, FL 33156

In accordance with the above-referenced Contract, this Supplemental Agreement, when properly executed, shall provide for:

A. Option to Renew Provision Requirements

1. Incorporate the "Price Schedule for Plan Year 2011" attached hereto into the Contract to reflect the applicable price schedule amendments for the Contract renewal period from January 1, 2011 through December 31, 2011.
2. Amend Scope of Services (Appendix A), Section 2.7.14, to delete 1st Line only, and replace with the following: *"The Contractor shall provide up to four on-site customer service representatives to be housed at the County administration building. With the County's prior approval, the Contractor may adjust the number of on-site customer service representatives effective January 1, 2011, dependent upon reduction in service requirements."*
3. Acknowledge Contractor's utilization of a Maximum Allowable Payment (MAP) reimbursement methodology for payment to Point of Service (POS) Plan out-of-network providers, which shall be the lesser of the amount that provider charges for services or 200% of MAP as approved by the County, effective January 1, 2011. Note: The County, at its sole discretion, reserves the right to adjust the MAP reimbursements during a Plan Year.
4. Acknowledge Contractor's utilization of a Maximum Allowable Payment (MAP) reimbursement methodology for payment to Health Maintenance Organization (HMO) Plan providers, which shall be 100% of MAP, effective August 1, 2010.

B. County Required Amendments

1. In Scope of Services (Appendix A), Section 2.3.6, delete last two sentences as the County no longer allows a 30 day grace period to enroll.
2. Delete Scope of Services (Appendix A), Section 2.3.11 in its entirety as the County manages its Self-funded Medical Program and reserves the right to adjust Plan

benefits in the best interest of the County, which may result in a loss or gain of a benefit to employees.

3. Amend Article 20, entitled "Subcontractual Relations" to add Letter (f) as follows:

(f) The Contractor shall not change a subcontractor for any portion of the Services without providing: 1) a 60 day advance notice to the County, 2) written justification for change and the impact such change to a subcontractor will have on County employees, retirees, and their eligible dependents; and 3) receiving the express written consent of the County.

C. Legislative Changes

1. Replace Scope of Services (Appendix A), Section 2.3.6, Letter (b) in its entirety with the following to reflect changes due to the enactment of the Patient Protection and Affordability Act:

(b) Married or unmarried natural children (whether or not they live with the employee), children of a domestic partner, adopted children, stepchildren or a child for whom the employee has been appointed a legal guardian pursuant to a valid court order to the end of the calendar year in which the child turns 26 (providing not offered coverage at work). The Contractor will require proof of eligibility if the child's last name differs from the employee's. Coverage may be extended to the end of the calendar year in which the child turns 30 if unmarried and the child satisfies the criteria in Florida Statute 627.6562.

2. Amend Scope of Services (Appendix A), Section 2.3.6, Letter (c), to substitute the following "age 25" with "age 26" to reflect changes due to the enactment of the Patient Protection and Affordability Act.
3. Amend Scope of Services (Appendix A), Section 2.7.7, 2nd Line, to delete the following "(19 and over)" to reflect changes due to the enactment of the Patient Protection and Affordability Act.
4. Amend Article 33, entitled "Local, State and Federal Compliance Requirements" to add the following paragraph immediately following letter (h) due to the enactment of the Early Retiree Reimbursement Program:

In the performance of the administrative services with respect to the County Plans (POS and HMO), effective January 1, 2010, Contractor shall comply with the regulations set forth in Title 45 CFR Part 149.35 regarding the maintenance, including retention periods, and disclosure of information, data, documents, and records to the Secretary of the Health and Human Services (HHS) as necessary for the County to comply with the Early Retiree Reinsurance Program. The information provided may be utilized by the County for purposes of obtaining Federal funds.

D. Contractor Required Amendments

Delete Attachment No. 2 to Scope of Services (Appendix A) entitled "Contractor Supplemental Information Letter dated May 25, 2007", in its entirety and incorporate Appendix D entitled "Network Providers" to reflect the Contractor's Network Provider change, effective January 1, 2010 from BeechWrapPlus to Private Health Care Systems (PHCS).

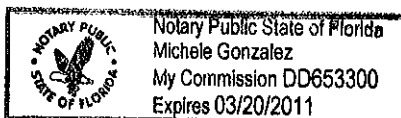
All terms, covenants and conditions of the original Contract and any Supplemental Agreements issued thereto shall remain in full force and effect, except to the extent herein amended.

IN WITNESS WHEREOF, the parties have executed this Supplemental Agreement to County Contract No. 559 effective as of the date herein above set forth.

Contractor
By: [Signature] ^{PN}
Name: Frank T. Jantzen III
Title: Vice Pres. Client Serv.
Date: 12-23-10
Attest: _____
Corporate Secretary/Notary

Corporate Seal/Notary

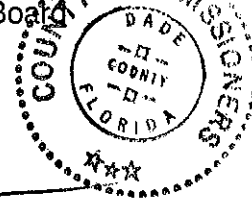
[Signature] 12/23/10
Michele Gonzalez



Miami-Dade County
By: [Signature]
Name: Rita Silva
Title: Procurement Contracting Manager
Date: 1/10/2011
Attest: [Signature]
Clerk of the Board

Approved as to form
and legal sufficiency

[Signature]
Assistant County Attorney



APPENDIX B

Price Schedule Revised Effective 1/1/2011

Administrative Services Only (ASO) Fees

Medical Administrative Fees (Actives/Non-Medicare Retirees/Medicare Supplement Retirees/COBRA) Per Employee Per Month (PEPM):

Calendar Year (CY) 2011 \$32.18

Pharmacy Rebate Credit

The pharmacy rebate credit contained in the ASO fees shall be \$7.54 PEPM in CY 2011. This credit includes the 2011 Pharmacy Rebate Credit of \$3.89 PEPM, plus an additional \$3.65 PEPM credit, which is equivalent to the estimated remaining CY 2010 pharmacy rebates received by the Contractor for the County.

If actual 2010 rebates received by the Contractor are more than the total of 1) 2010 rebate credits plus 2) the additional estimated rebates based on the \$3.65 credit, the Contractor shall reimburse the difference to the County. If actual 2010 pharmacy rebates received by the Contractor are less than the total of "1" plus "2" above, the County will reimburse the difference to the Contractor, with full accounting/reconciliation to be conducted by the Contractor with the appropriate documentation. This full accounting/reconciliation of 2010 pharmacy rebates will take place no later than December 31, 2011.

Disease Management

The ASO fee includes \$2.25 PEPM, on a fixed fee basis, for disease management at the 2010 level of participation.

Option to Renew Years

The Administrative Fees for each option to renew period shall remain the same unless adjustments are requested by the County or by the Contractor (as further described below). Any Administrative Fee adjustments shall be negotiated and shall be based on, among other things, the then current ASO Fees, legislative mandates and industry standard trend factors.

Any recommended adjustment must be provided by the Contractor, pursuant to Section 2.7.4 of the Scope of Services, to the Project Manager by May 1st of the year prior to the start of the effected plan year (i.e., May 1, 2011 for plan year 2012) along with a justification including the Contractor's actuarial methodology used to determine the new administrative fees. If no recommended adjustment is received by the set date, the fees shall remain the same for the option period.